



## Inside SFA

*How YOU Help Put America Through School*

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### **HOW SFA, ED & OTHERS MADE NEWS FOR A PRESIDENT (AND HELPED AMERICA THROUGH SCHOOL IN THE PROCESS!)**

Something great just happened in SFA. Because of it, perhaps more Americans will be able to realize their dream of going to school.

Yesterday, President Clinton announced two new interest breaks in the DL program. The breaks benefit borrowers who make their payments on time and are designed to prevent delinquency and default. (See ED press release emailed to all staff yesterday and available on ConnectED.)

Creating interest rate rebates and discounts in a multi-billion dollar lending program doesn't happen with the snap of your fingers. It takes a lot of work by a lot of people. In fact, there was so much work behind the scenes that it's hard to capture all of it in a brief story.

SFA staff, schools, and operating partners had been advising Greg Woods, SFA's COO, and the Department that to make the DL program more competitive, we'd have to do better on price. Schools prefer DL's process and service, but in this economy, many private lenders can beat the government on price.

Earlier this year, Greg and Frank Holleman, ED's Deputy Secretary, began talking about what could be done. A team representing SFA, OPE, OGC, OCLA, Budget Services, OMB, and others began to take shape. A cross-functional team from SFA mobilized and, leading up to yesterday's announcement, has been meeting every day for the past two weeks.

"It was really great," Kay Jacks, Schools GM, said. "We knew we were working on something that would benefit students. There were no rules for team membership—we would start talking, realize we needed somebody else, and we'd go get them."

Kay praises the team for being "willing to take on work that was outside their job" to make sure the job got done. She said identifying the operational adjustments needed to create the new DL incentives was "like peeling an onion." How would this affect the computer systems? What business rules apply? How would we communicate it to schools, students, and parents?

And when Pres. Clinton took the podium at Depaul University in Chicago yesterday to announce the interest breaks for DL borrowers, Kay Jacks was there. It was an intense moment of SFA pride. The only trouble was, she couldn't get in.

*Inside SFA, August 11, 2000*

The auditorium was full, security was everywhere, Kay's plane was late, and no one else was being admitted. Kay, disappointed, decided to wait outside, standing near where the press corps had set up so she could see and hear the reporters' video and audio feeds.

Never the shy one, Kay started striking up conversations with students around her, asking if they understood how what the President was announcing could benefit them. Like Superman darting into a phone booth, Kay quickly became "The Strolling Financial Aid Advisor!"

"It actually turned out better that I was on the street," she said. "If I'd been inside, I would have been focused on the President, but what he was announcing was all about students. I was on the street *with* students and I got to see their faces—I got to talk with them about their goals and dreams."

Kay said she talked to about 50 people in all, some brought to her by her cab driver, who was waiting!

One woman, Kathleen, was jogging by and stopped to chat. She was a single mom whose daughter now is in college. On the back of an envelope, Kay began calculating how much the new interest breaks would save the woman's family budget.

"She obviously was excited," Kay said. "And she got tears in her eyes when she told me that without financial aid she wouldn't have been able to go to grad school and make a better life for herself and her daughter."

All of us have reason to take pride in the new DL incentives. They started with that wonderful "We Help Put America Through School" spirit and came to fruition through the indomitable "can do" tenacity of all those involved.

Congratulations to everyone. You done good!

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